



Sleepy Eye
Medical Center

Origination 06/2025

Approved 06/2025

Expiration 06/2027

Owner Jen Farasyn:
Business Office
Manager

Policy Area Business Office

Collections Policy

Policy:

Sleepy Eye Medical Center (SEMC) is a facility dedicated to the treatment of patients requiring inpatient admissions, outpatient services, and clinic visits. In keeping with the mission of SEMC, patients will be treated with respect and confidentiality in all issues dealing with collections. There is zero tolerance for abusive, harassing, oppressive, false, deceptive or misleading language or collection conduct by employees who collect medical debt on behalf of SEMC. The Business Office staff will ensure that every reasonable effort will be made to collect on an account after services are provided.

Collection Agencies may be enlisted to collect medical debt after all collection attempts by SEMC staff have been exhausted.

Purpose:

This policy establishes reasonable procedures and guidance concerning the collection of medical debt from patients in accordance with the guidelines set out in the agreement with the MN Attorney General's Office and the Minnesota Debt Fairness Act.

Background:

Self pay statements are generated weekly (at a minimum) and mailed to the account guarantor once every four weeks (holidays may delay this) informing patients of their self pay account balance. In the event of non payment, SEMC will offer our Financial Assistance screening tool or Financial Assistance application, offer a MnSure Assister appointment for uninsured patients, and send out collection notices in an attempt to collect on the account. If these efforts fail, the account will be referred to a Collection Agency. The minimum balance that we can submit to collections will be determined by each Collection Agency.

Procedure:

Collections

1. A Final Notice is sent out to the guarantor by US mail when the following criteria is met:

- Three statements have been sent
- Account has been in current financial class for 105 days
- Has been 30 days since last payment

2. If SEMC has not received a payment or entered into a payment plan within 15 days of the final collection notice, the account will be referred to a Collection Agency.

- Prior to referring an account to a Collection Agency, SEMC staff will confirm that:
 - There is a reasonable basis to believe that the guarantor owes the debt.
 - All known third party payers have been properly billed and the remaining debt is the guarantor's financial responsibility.
 - Financial Assistance screening must be attempted and documented on the Affidavit of Expert Review form for each visit and kept on file. This form is required for dates of service on or after 11/1/2023. A minimum of one phone call should be attempted by Business Office staff to screen the patient, obtain a payment, or initiate a payment plan. A note will be entered into the Meditech Patient Accounting system to document the collection efforts.
 - The patient has been given a reasonable opportunity to apply for Financial Assistance.
 - There may be exceptions as to when an account is referred to a Collection Agency. If SEMC has mail returned, or if a guarantor has several unpaid accounts, a notice may be deleted and Collection Agency may be initiated prior to 120 days.
 - Accounts that qualify will also be added to the State of Minnesota Revenue Recapture program. (For further information on this, please refer to the Policy for Revenue Recapture.)
 - SEMC and its Collection Agency partners do not credit report patient medical debt.

3. Legal Action

Sleepy Eye Medical Center does not refer accounts at a Collection Agency for legal action.

All Revision Dates

06/2025

Attachments

 [AFFIDAVIT OF EXPERT REVIEW.docx](#)

Approval Signatures

Step Description	Approver	Date
	Jen Farasyn: Business Office Manager [KB]	06/2025

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